

MEETING SUMMARY
PROPERTY TAX ADMINISTRATION TASK FORCE
FEBRUARY 06, 2002 10:00 AM TO 3:00 PM
(LOCATION: Bldg C-2, 5050 West Tennessee Street, Tallahassee, FL)

FULL MEMBER SESSION-10:00 AM to 3:00 PM

MEMBERS PRESENT: Rod Adams, Jimmy Alvarez, Bob Banting, George Burnham, Fred Cole, Bill Coleman, Morgan Gilreath, Bill Graham, Ali Korman, Terri Lewis, Fred Meeker, Sharon Outland, Bob Rackliff, Ken Small, Bill Suber, Vicki Weber

MEMBERS ABSENT: Keith Baker, Randy Miller, Matt Ryan, and a representative for Tax Executive's Institute.

Chairman Zingale welcomed the members at the fourth meeting held under the Legislature's creation of the extension of the Property Tax Administration Task Force.

Lisa Echeverri, the Department's Legislative and Cabinet Affairs Director, explained where the property tax bill (SB 1360) was in the legislative process. Lisa specifically mentioned the section of the bill covering the update of the guidelines and that Legislative staff was still working on that portion of the bill. Some additional input has been given on the refund issue and DOR staff will be working on some amended language based on comments received by Vicki Weber.

Lisa also provided an update on other property tax issues that have been incorporated into proposed bills as of the date of this meeting. Those issues included: an increase in the exemption for less than 100% disabled veterans, an additional exemption from property tax for improvements to homesteads made for the purpose of providing housing to elderly parents (a.k.a. the "granny flats" provision); a simplification of the application for the additional \$25,000 exemption for seniors, a bill covering the airport/seaport issue to the extent recommended by last summer's task force, an exception to the requirement from assessing the current owner of property for property tax not collected from prior owner, and a house joint resolution dealing with the Save Our Homes issue and the increase in assessments when the market hasn't moved but the assessment is still below market.

Steve Keller provided an overview of a recent court opinion--*Royal and Sons. V. Celeste Smith, Tax Collector, Okeechobee County* (4th DCA). He explained that it was the first appeals court case to address the issue of the property appraiser's presumption of correctness since the Florida Statute had been changed in 1997 to cover the issue of the presumption.

Jeff Kielbasa gave the members an update on where the agency was in the promulgation of the Real Property Guidelines to include: The hiring of two outside experts on the appraisal process—one from North Carolina and one from the FSU School of Business, the decision to hire an MAI as an internal reviewer of the consultants draft and public comments on the first draft of the guidelines. Jeff explained that from this point until sometime in May 2002, our internal and external experts likely roll out the second draft of the guidelines. Once the second draft is out, we may conduct final workshop to give the general public one more opportunity to provide comment or depending on the timing of the second draft roll-out, we may go directly to a rule hearing where the public will have an opportunity for public comment. He mentioned that the public also has an opportunity for input and comment when the Governor and the Cabinet have their Cabinet Hearing.

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Jim Zingale covered the next topic for the morning session. The chair handed out two documents as part of his discussion. The documents were: 1) an info-graphic which give a pictorial presentation of how the functions of the property appraisers and the Department's Property Tax Administration Program interrelate, and 2) the team structure for the development of the re-engineering of the PTA programs in-depth study process, one of the Department's current strategic initiatives.

The chair explained that the purpose of the re-engineering process was to determine the Department's role in the tax roll development, the property appraisers' responsibility to develop the product known as the tax roll, the Department's responsibility to determine if the rolls meet statutory standards, and the Department's dual-hat role to provide aid and assistance.

The analysis has shown that the Department has three functions in helping the property appraisers produce their final product. Briefly, those functions are: neutral functions involved in the in-depth and non-in-depth studies, the identification and communication of problems, and finally the type of aid and assistance we are required to provide to assist property appraisers in fixing identified problems.

David Beggs made the final individual presentation for the day. David's presentation covered three separate areas of interest. His presentation included: a status report update on the PTA Action Plan; the findings of research project by the Department which attempted to identify the number of delinquent mobile home tags; and, a report prepared for the task force on the timing of the release of revenue estimates provided to local governments by the Department of Revenue. The purpose of the last report stemmed from a proposal by the task force that the TRIM calendar begin on the date the tax roll is certified to the Department rather than the later of that date or July 1.

FACILITATED DISCUSSION

After the individual presentations were completed, the task force began a facilitated discussion on the ranking of the issues which had been identified by the task force as those issues which could be handled and/or investigated by the task force for the remainder of the task force term.

The issues that were determined by the task force to be of significant interest for further investigation and ranked in an order of importance from 1 to 17 include the following issues:

1. Real and Tangible Personal Property Tax Guideline Changes
2. Confidentiality of Information Provided to VAB and Property Appraiser
3. TRIM Procedures
4. Sales Tax on TPP
5. Overpaid Taxes
6. Airport/Seaport and Special District Issues
7. 1st and 8th Criteria – Options
8. Levels of Assessment for FEFP
9. Mobile Home Taxes
10. Sale of Save Our Homes Property
11. VAB Appeals Notification
12. TRIM Calendar
13. Senior Exemption Simplification/Definition of Income

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14. Property Access
15. Household TPP Valuation in Real Property Transfers
16. Valuation of Percentage Complete Property on January 1
17. Non-Ad Valero Assessment – TRIM

Other issues that may be considered, depending on the time available to the task force before expiration of its authority include:

- A research project on an administrative process for complex properties that would authorize a property appraiser to make changes to the certified roll after roll certification without the need to file a complaint or have a VAB decision rendered
- The issue of being able to reschedule the VAB hearing date when the taxpayer or his/her representative have a conflicting hearing dates in other counties
- The issue of a recent exemption (2000 Legislature) for water and wastewater corporations that may be having an unintended consequence of providing exemptions
- The issue of assessing agricultural equipment when using the income approach for classified use property

Prior to the next meeting, the members asked staff categorize issues according to: what needs to be researched; what needs to be facilitated; what work needs to be done on some of the issues to express the membership's concerns; and, to estimate the level of complexity of each of the issues.

The final business of the day was spent selecting a date, time and place for the next meeting. Members selected May 22, 2002, as the date for the next meeting.

The meeting adjourned at approximately 2:30 PM.

PREPARED BY KATHY HENLEY
May 01, 2002